

	AGENDA ITEM EXECUTIVE SUMMARY
Title:	Recommendation to Award Bid for the Red Gate Bridge Advanced Work and Approve Contract
Presenter:	James Bernahl

Please check appropriate box:

	Governmen	nt Operations		Gove	ernment	Service:	S	
	Planning &	Development	X	City	Council	- 06-05	5-11	
Estim	ated Cost:	\$1,651,718.23	Budge	eted:	YES	X	NO	

If NO, please explain how item will be funded:

Executive Summary:

On June 28, 2011 at 10:00 AM, sealed bids for the Red Gate Bridge Advanced Contract were publicly opened and read aloud. The results of the bid opening are as follows:

Engineer's Estimate: \$2,739,317.50

1.	Herlihy Mid-Continent Co.	\$1,651,718.23
2.	James McHugh Construction	\$1,996,690.09
3.	Lake County grading Co.	\$ 2,000,750.00
4.	IHC Construction Co.	\$ 2,024,011.84
5.	Illinois Constructors	\$ 2,265,127.64
6.	Sjostrom & Sons	\$ 2,288,882.04
7.	EarthWerks	\$ 2,944,854.24

The scope of work will include mass earthwork, tree removal, installation of pedestrian underpass bridge for the existing bike path on the east side of the Fox River, earthwork trucking, and detention pond installation. All proposed work is considered preemptive work for the construction of the Red Gate Bridge and Roadway. In addition to the roadway and bridge installation proposed earthwork and tree removals will assist in preparing the landscaping for the new proposed pedestrian and bicycle pathway to be installed as part of the next phase on construction.

Based on the size of this project staff will be utilizing the services of Alfred Benesch & Company to perform the Construction Observation services for this project.

Attachments: (please list)

- Copy of the Bid Results
- Contract Bid Review from Alfred Benesch & Company

Recommendation / Suggested Action (briefly explain):

Staff recommends awarding contract for the Red Gate Advanced Contract to Herlihy Mid-Continent Co. for an amount not to exceed \$1,651,718.23.

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Resolution No	
A Resolution Approving the Execution of a Contract from Herlihy Mid- Continent Company for the Red Gate Bridge advanced work	
Presented & Passed by the City Council on July 5, 2011	
BE IT RESOLVED by the Mayor and City Council of the City of St. Charles, Kan and DuPage Counties, Illinois, that the Mayor and City Clerk be and the same are hereb authorized to execute a Contract from Herlihy Mid-Continent Company for the Red Gat Bridge advanced work at a cost not to exceed \$1,651,718.23.	y
PRESENTED to the City Council of the City of St. Charles, Illinois, this 5th day of July 2011.	
PASSED by the City Council of the City of St. Charles, Illinois, this 5th day of July 2011.	
APPROVED by the Mayor of the City of St. Charles, Illinois, this 5th day of July 2011.	

Donald P. DeWitte, Mayor

ATTEST:	
City Clerk	
COUNCIL VOTE: Ayes:	
Nays:	
Absent:	
Abstain:	

THE CITY OF ST. CHARLES - Bid Tabulation Re	ion Report	Comp	arison with	port - Comparison with Engineer's Estimate	Estimate			
Project Description: RED GATE ROAD EXTENSION OVER THE FOX RIVER - ADVANCE CONTRACT	THE FOX RIVE	R - ADVA	VCE CONTRAC		- The state of the	TO PROPERTY AND ADDRESS OF THE PROPERTY AND ADDRESS OF THE PROPERTY ADDRESS OF THE PROPERTY ADDRESS OF THE	The state of the s	The state of the s
Bid Open Date: 6/28/2011 Begin Date: TBD			Harding Mich					
			O PINI A		Janues Menugii Collstruction	COUSTOCHOL	Lake County Grading Co.	rading Co.
			Bidder 1 Auth Total	\$1,651,718.23 Bidder 2	Bidder 2 Airth Total	\$1,996,690.09 Bidder 3	Bidder 3	\$2,000,750.00
ltem Description	Unit	Quantity		Amount		Amount	Price	Amount
20100500 TREE REMOVAL, ACRES	ACRE	4.3	\$3,800.00	\$16,340.00		\$19,350.00		\$32,250.00
20101000 TEMPORARY FENCE	FOOT	5,500	\$2.20	\$12,100.00	\$3.25	\$17,875.00	\$3.50	\$19,250.00
20101100 TREE TRUNK PROTECTION	EACH	100	\$45,00	\$4,500,00		\$7,500.00	\$150.00	\$15,000.00
20101300 TREE PRUNING (1 TO 10 INCH DIAMETER)	EACH	100	\$35.00	:		\$6,500.00		
20101350 REE PRUNING (OVER 10 INCH DIAMETER)	EACH	100	\$75.00			\$9,000.00	\$75.00	\$7,500.00
20200100 EARTH EXCAVATION	CU YD	16,188	\$3.00	\$48,564.00		\$169,974.00	\$4.50	\$72,846.00
20400800 FURNISHED EXCAVATION	CV VD	59,621	\$7.99	\$476,371.79		\$634,963.65	\$9.00	\$536,589.00
20700400 POROUS GRANULAR EMBANKMENT, SPECIAL		298	\$35,00	\$10,430.00			\$48.00	\$14,304.00
20800150 TRENCH BACKFILL	CU YD	39	\$35.00	\$1,365.00		\$1,560.00	\$25.00	\$975.00
21101505 TOPSOIL EXCAVATION AND PLACEMENT	CU YD	10,402	\$5.92	\$61,579.84	\$13.00	\$135,226.00	\$9.90	\$102,979.80
25000110 SEEDING, CLASS 1A	ACRE	0.2	\$3,000.00	\$600.00			\$3,100.00	\$620.00
25000210 SEEDING, CLASS 2A	ACRE	8.6	\$775.00	\$6,665.00	\$1,200.00	₩.	\$300.00	\$7,740.00
25000300 SEEDING, CLASS 3	ACRE	4,1	\$1,500.00	\$2,100.00		\$2,781.80	\$1,600.00	\$2,240.00
25000400 NITROGEN FERTILIZER NUTRIENT	POUND	918	\$2.00	\$1,836.00	\$1.34	\$1,230.12	\$2.00	\$1,836.00
25000500 PHOSPHORUS FERTILIZER NUTRIENT	POUND	918	\$2.00	\$1,836.00		\$1,230.12	\$2.00	\$1,836.00
25000600 POTASSIUM FERTILIZER NUTRIENT	POUND	918	\$2.00	\$1,836.00		\$1,230.12	\$2.00	\$1,836.00
25002300 TEMPORARY SEEDING	ACRE	12.3	\$100.00	\$1,230.00		\$4,920.00	\$200.00	\$2,460.00
25100115 MULCH, METHOD 2	ACRE	2.7	\$1,700.00	\$4,590.00	\$1,000.00	\$2,700.00	\$1,800.00	\$4,860.00
	SQ YD	23,957	\$0.95	\$22,759.15		\$27,310.98		\$23,957.00
25100635 HEAVY DUTY EROSION CONTROL BLANKET	SQ YD	6,731	\$1,25	\$8,413,75		\$12,115.80		\$8,750.30
28000400 PERIMETER EROSION BARRIER	FOOT	7,996	\$1.50	\$11,994.00		\$15,992.00	\$1.75	\$13,993.00
28100107 STONE RIPRAP, CLASS A4	SQ YD	541	\$50.00	\$27,050.00	\$50.00	\$27,050.00	\$70.00	\$37,870.00
35101800 AGGREGATE BASE COURSE, TYPE B 6"	SQ YD	413	\$9.50	\$3,923,50	\$13.00	\$5,369,00	\$11.00	\$4,543,00
	CALLON	206	\$4.00	\$824.00	\$2.25	\$463,50	\$5.00	\$1,030.00
URSE,	MIX TON	46	\$230.00	\$10,580.00	₩.	\$9,200.00	\$220.00	\$10,120.00
44000200 DRIVEWAY PAVEMENT REMOVAL	SQ YD	1,503	\$1.00	\$1,503.00	\$12.00	\$18,036.00	\$5.00	\$7,515.00
50300225 CONCRETE STRUCTURES	CU YD	77.6	\$500.00	\$38,800.00	\$500.00	\$38,800.00	\$860.00	\$66,736.00
50300255 CONCRETE SUPERSTRUCTURE	CU YD	349.9	\$745.00	\$260,675,50	\$500.00	\$174 950 00	\$560.00	\$195 944 00

50300280 CONCRETE ENCASEMENT		07.00	\$4,646.00	\$4.50	\$3,636.00	\$8.10	\$6.544.80
	7.7 O	\$1,250.00	\$9,625.00	\$900.00	\$6,930,00	\$860.00	\$6,622,00
		\$3.00	\$2,772.00	\$1.00	\$924.00	\$4.00	\$3,696.00
RESTRE		\$180.00	\$160.920.00	\$160.00	\$143,040.00	\$200,00	\$178,800,00
NT BARS, EPOXY COATED	D 88,	\$1.10	\$97,042.00	\$1.00	\$88,220.00	\$1.10	\$97,042.00
WHEN THE	A sheet Mark Way	\$25.00	\$2,950.00	\$22.00	\$2,596.00	\$31.00	\$3,658,00
TEEL PILES HP12X53	T 784	\$70.00	\$54,880.00	\$56.00	\$43,904.00	\$42.00	\$32,928.00
	T 784	\$1.00	\$784.00	\$1.00	\$784.00	\$1.00	\$784.00
EL HP12X53	N T	\$10,000.00	\$20,000.00	\$3,500.00	\$7,000.00	\$7,600.00	\$15,200.00
		\$650.00	\$650.00	\$600.00	\$600.00	\$520.00	\$520.00
밁	_	\$475.00	\$475.00	\$300,00	\$300.00	\$420.00	\$420.00
PRECAST REINFORCED CONCRETE FLARED END		\$550.00	\$550.00	\$300.00	\$300,00	\$420.00	\$420.00
	T 94	\$42.00	\$3,948.00	\$40.00	\$3,760,00	\$37.00	\$3,478.00
	T 48	\$47.00	\$2,256.00	\$42.00	\$2,016.00	\$39.00	\$1,872.00
A PERSONAL PROPERTY.		\$55.00	\$3,465.00	\$40.00	\$2,520.00	\$37.00	\$2,331.00
6 15"	T 82	\$60.00	\$4,920.00	\$42.00	\$3,444.00	\$39.00	\$3,198.00
	١٠٠	\$10.00	\$250,00	\$20.00	\$500.00	\$30.00	\$750,00
	D 132	\$12.00	\$1,584,00	\$25.00	\$3,300.00	\$21.00	\$2,772.00
7	T 227	\$28.00	\$6,356.00	\$20.00	\$4,540.00	\$19.00	\$4,313.00
	т	\$2,240.00	\$6,720.00	\$2,500.00	\$7,500.00	\$1,700.00	\$5,100.00
60218400 MANHOLES, TYPE A, 4'-DIAMETER, TYPE 1 FRANEACH	T	\$4,452,00	\$4,452,00	\$2,500.00	\$2,500.00	\$5,000.00	\$5,000,00
යු	T	\$1,751.00	\$1,751.00	\$2,600.00	\$2,600.00	\$5,000.00	\$5,000.00
YPE 1 FRAN		\$6,500.00	\$6,500.00	\$9,000.00	\$9,000.00	\$5,500.00	\$5,500.00
ELD OFFICE, TYPE A	MO 6	\$2,000.00	\$12,000.00	\$3,600.00	\$21,600.00	\$3,725.00	\$22,350.00
	_	\$58,000,00	\$58,000,00	\$103,230.00	\$103,230.00	\$221,120,10	\$221,120,10
		\$4,890.00	\$4,890.00	\$12,000.00	\$12,000.00	\$5,000.00	\$5,000.00
ION ENTRANCE		\$5.50	\$8,250.00	\$12.00	\$18,000.00	\$0.01	\$15,00
WWW.mirror (restriction to About a man a re-	T 5,163	\$15.00	\$77,445.00	\$14.00	\$72,282.00	\$13.00	\$67,119.00
	Σ	\$2,000.00	\$2,000.00	\$3,200.00	\$3,200.00	\$2,000.00	\$2,000.00
ERING STRUCTURE		\$1,000.00	\$2,000.00	\$4,000.00	\$8,000.00	\$11,000.00	\$22,000.00
TIVE TO A CONTRACT OF THE CONT		\$125.00	\$32,750.00	\$162.00	\$42,444.00	\$175.00	\$45,850.00
CONCRETE REMOVAL (SPECIAL)		\$6.00	\$1,614.00	\$22.00	\$5,918.00	\$15.00	\$4,035.00
DUST CONTROL WATERING		\$15.00	\$4,500.00	\$14.00	\$4,200.00	\$80.00	\$24,000.00
ZUUZZBUU TENCE REMUVAL	358	\$3.65	\$1,306.70	\$3.00	\$1,074.00	\$4.00	\$1,432.00

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HC Construction Co	tion Co.	Illinois Constructors		Sjostrom & S	Sons	EarthWerks	
Bidder 4	\$2,024,011.84 Bidder 5	Bidder 5	\$2,265,127.64	Bidder 6	\$2,288,882.04	Bidder 7	\$2,944,854,24
Auth Total		Auth Total		Auth Total		Auth Total	
Price	Amount	Price		Price .	Amount	Price	Amount
\$4,500.00	\$19,350.00	\$4,500.00		\$8,370.00	\$35,991.00	\$4,500.00	\$19,350.00
\$4.95	\$27,225.00	\$3.25	\$17,875.00	\$2.20	\$12,100.00	\$2.00	\$11,000.00
\$75.00	\$7,500.00	\$75.00	\$7,500.00	\$200,00	\$20,000.00	\$75.00	\$7,500.00
\$65.00	\$6,500.00		\$6,500.00	\$30.00	\$3,000.00	\$65.00	\$6,500.00
\$90.00	\$9,000.00	\$90.00	\$9,000,00	\$107.50	\$10,750.00	\$90.00	\$9,000.00
\$3.00	\$48,564.00		\$85,796.40	\$2.80	\$45,326.40	\$10.00	\$161,880.00
\$10.25	\$611,115.25		\$924,125.50	\$13.00	\$775,073,00	\$24.00	\$1,430,904.00
\$45.00	\$13,410,00			\$34.00	\$10,132.00	\$25.00	\$7,450.00
\$36.50	\$1,423.50	47	\$1,560.00	\$40.00	\$1,560.00	\$25.00	\$975.00
\$5.65	\$58,771.30	\$8.50	\$88,417.00	\$7.50	\$78,015.00	\$5.00	\$52,010.00
\$1,200.00	\$240.00	\$1,200.00	\$240.00	\$3,000.00	\$600.00	\$1,000.00	\$200.00
\$1,200.00	\$10,320.00		\$10,320.00	\$1,550.00	\$13,330.00	\$3,000.00	\$25,800.00
\$1,987.00	\$2,781.80	e. 1.0	\$2,781.80	\$2,700.00	\$3,780.00	\$3,500.00	\$4,900.00
\$1.34	\$1,230.12	\$1.34	\$1,230.12	\$2.00	\$1,836.00	\$1.00	\$918.00
\$1.34	\$1,230.12	\$1.34	\$1,230.12	\$2.00	\$1,836.00	\$1.00	\$918.00
\$1.34	\$1,230.12		\$1,230.12	\$2.00	\$1,836.00	\$1.00	\$918.00
\$400.00	\$4,920.00	\$400.00	\$4,920.00	\$700.00	\$8,610.00	\$500.00	\$6,150.00
\$1,000.00	\$2,700.00	\$1,000.00	\$2,700.00	\$1,350.00	\$3,645.00	\$1,500.00	\$4,050,00
\$1.14	\$27,310.98		\$27,310.98	\$1.00	\$23,957.00	\$1.20	\$28,748.40
\$1.80	\$12,115.80		\$12,115.80	\$1.70	\$11,442.70	\$4.00	\$26,924.00
\$2.00	\$15,992.00	\$2.00	\$15,992,00	\$2.10	\$16,791.60	\$1.50	\$11,994.00
\$31.56	\$17,073.96	\$65.00	\$35,165.00	\$64.70	\$35,002,70	\$45,00	\$24,345.00
\$6.75	\$2,787.75		\$2,065.00	\$12.00	\$4,956.00	\$6.00	\$2,478.00
\$0.01	\$2.06	\$2.25	\$463.50	\$2.00	\$412.00	\$2.00	\$412.00
\$260.58	\$11,986.68	<u>rs</u>	\$5,520.00	\$250.00	\$11,500.00	\$90.00	\$4,140.00
\$1.00	\$1,503.00	\$2.00	\$3,006.00	\$7.00	\$10,521,00	\$3.00	\$4,509.00
\$650.00	\$50,440.00		\$57,424.00	\$857,50	\$66,542.00	\$600.00	\$46,560.00
\$850.00	\$297,415.00	\$425.00	\$148,707.50	\$696,65	\$243,757.84	\$450.00	\$157,455.00

\$6,205.44	\$6.35	\$5,130.80	\$7.90	\$6,383,20	\$4.00	\$3,232.00
\$1,386.00	\$1.50	\$1,386.00	\$2.70	\$2,494.80	\$1.25	\$1.155.00
\$160,204.80	\$255.00	\$227,970.00	\$185,00	\$165,390.00	\$385.00	\$344,190,00
\$83,809.00	\$1.10	\$97,042.00	\$1.10	\$97,042.00	\$1.00	\$88,220.00
\$2,950.00	\$30.00	\$3,540.00	\$26.50	\$3,127.00	\$25.00	\$2,950.00
\$47,824.00	\$78.00	\$61,152.00	\$62.10	\$48,686.40	\$48.00	\$37,632.00
\$36,064.00	\$1.00	\$784.00	\$1.00	\$784.00	\$0.01	\$7.84
\$9,000.00	\$11,200.00	\$22,400.00	\$8,299.60	\$16,599,20	\$12,500.00	\$25,000.00
\$750.00	\$600.00	\$600.00	\$577.20	\$577.20	\$400.00	\$400.00
\$495.36	\$1,200.00	\$1,200.00	\$886.20	\$886.20	\$650.00	\$650.00
\$573.58	₩.	\$1,500.00	\$974.80	\$974.80	\$750.00	\$750.00
\$4,117.20		\$4,230.00	\$88.60	\$8,328.40	\$25.00	\$2,350.00
52.96	\$85.00	\$4,080.00	\$88.60	\$4,252,80	\$28.00	\$1,344.00
\$3,613.68	\$55.00	\$3,465.00	\$88.60	\$5,581.80	\$26.00	\$1,638.00
\$5,130.74	\$110,00	\$9,020.00	\$132.90	\$10,897.80	\$30.00	\$2,460.00
\$260.75	\$20.00	\$500.00	\$10.00	\$250.00	\$10.00	\$250,00
\$3,696.00	\$23.00	\$3,036.00	\$28.20	\$3,722.40	\$14,00	\$1,848.00
\$9,942.60	\$19.00	\$4,313.00	\$25.00	\$5,675.00	\$20.00	\$4,540.00
\$7,008.09	\$2,000.00	\$6,000.00	\$1,500.00	\$4,500.00	\$1,000.00	\$3,000.00
\$4,642,86	\$5,000.00	\$5,000.00	\$3,500.00	\$3,500.00	\$1,200.00	\$1,200.00
\$1,826.07	\$5,000.00	\$5,000.00	\$3,500.00	\$3,500.00	\$2,000.00	\$2,000.00
\$17,207.37	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$15,000.00	\$15,000.00
\$17,880.00	\$1,800.00	\$10,800.00	\$2,443.10	\$14,658.60	\$2,000.00	\$12,000.00
\$100,000.00	\$135,000.00	\$135,000.00	\$142,000.00	\$142,000.00	\$154,000.00	\$154,000.00
\$40,000.00	\$8,950.00	\$8,950.00	\$7,400.00	\$7,400.00	\$10,000.00	\$10,000.00
\$26,250.00	\$15.00	\$22,500.00	\$12.50	\$18,750.00	\$10.00	\$15,000.00
\$85,189.50	\$9.00	\$46,467.00	\$16.00	\$82,608.00	\$11.00	\$56,793.00
\$3,000.00	\$4,000.00	\$4,000.00	\$4,800.00	\$4,800.00	\$1,500.00	\$1,500.00
\$2,300.00	\$3,800.00	\$7,600.00	\$50,000.00	\$100,000.00	\$2,000.00	\$4,000.00
\$52,020.10	\$175.00	\$45,850.00	\$169.80	\$44,487.60	\$200.00	\$52,400.00
\$1,614.00	\$10.00	\$2,690.00	\$5.00	\$1,345.00	\$10.00	\$2,690.00
\$16,155.00	\$1.00	\$300.00	\$16.70	\$5,010,00	\$100.00	\$30,000.00
\$2,631,30	\$6.00	\$2,148.00	\$15.00	\$5,370.00	\$7.00	\$2,506.00



Alfred Benesch & Company 205 North Michigan Avenue, Suite 2400 Chicago, IL 60601-5927 www.benesch.com P 312-565-0450 F 312-565-2497

June 30, 2011

Mr. Mark Koenen, P.E. Director of Public Works City of St. Charles 200 Devereaux Way St. Charles, IL 60174

Attention: Mr. James Bernahl, P.E.

Public Works Engineering Manager

Subject: CONTRACT BID REVIEW

Red Gate Road Extension over the Fox River - Advance Contract

Benesch Reference No. 10092

Dear Mr. Koenen:

We have reviewed the bid tabulation for the above contract and offer the following observations:

- The average of the seven bids is \$2,167,300.58 which is about 21% less than the Engineer's Estimate of \$2,739.317.50.
- The apparent low bidder, Herlihy Mid-Continent, submitted a bid of \$1,651,718.23, which was 40% under the Engineer's Estimate. Also, the lowest bid is 17.28% lower than the next bidder and 63.9% lower than the highest bidder.
- The Engineer's Estimate was prepared using 2009/2010 unit prices. Although the unit prices were trending lower because of market conditions, the estimate maintained the with conservative unit prices to assure that enough programming funds were available in case market conditions changed.

Bid prices were submitted for 62 items. The following are line items with significant variances from the Engineer's Estimate:

- <u>20200100 Earth Excavation</u>. The low bidder's amount is \$129,504.00 lower than the Engineer's estimate or a variance of 27.27%. There was a significant variance between bidders with a minimum amount of \$45,326.40 and a maximum amount of \$169,974.00. The average unit price is \$5.59, which is 51% of the Engineer's Estimate. The low bidder's amount is 53.7% of the average amount for all bids. The variance could be due to a difference in equipment costs for contractor's that own the heavy equipment necessary for a major earthwork operation and those who must rent equipment.
- 20400800 Furnished Excavation. The low bidder's total for this item is \$417,943.21 lower than the Engineer's. As with the previous item, there is a significant variance between bidders. The minimum amount was \$476,371.79 and the maximum amount was \$1,430,904.00. The average unit price is \$12.91 or 86% of the Engineer's Estimate. The low bidder's amount is 61.9% of the average amount for all bids. The variance for this item is also likely due to differences in equipment costs as well as the low bidder may have negotiated a favorable deal for material supply. Please note that the low bidder (Herlihy) and his subcontractor (Bell Land Development) are also the combination that constructed few sections of the Stearns Road Corridor which had similar scope of work to this contract. This may have allowed them to reduce the unit price on this item because of their lower level of uncertainty with the process and the local area.

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- <u>21101505 Topsoil Excavation and Placement.</u> The low bidder's amount is \$47,641.16 lower than the Engineer's Estimate. As with previous items, there is a significant variance between bidders. The minimum amount was \$52,010.00 and the maximum amount was \$135,226.00. The average unit price is \$7.92 or 75.4% of the Engineer's Estimate. The low bidder's amount is 74.7% of the average amount for all bids. As with other earth work activities, the variance for this item is likely due to differences in equipment costs.
- <u>25100635 Heavy Duty Erosion Control Blanket.</u> The Low Bidder's amount is \$58,896.25 lower than the Engineer's Estimate for this item. The average unit price for this item is \$1.95. The low bidder's amount is 64.1% of the average contributory amount. The unit prices between bidders showed little variance with a minimum unit price of \$1.25 and a maximum unit price of \$4.00. The difference in amount between the Engineer's Estimate and the low bidder can be attributed to variability of material costs between suppliers.
- <u>20100500 Tree Removal, Acres.</u> The low bidder's amount is \$38,915.00 below the Engineer's Estimate for this item. The average unit price for this item is \$5,381.43 or a variance of 41.85% from the low bidder. The difference in amount between the Engineer's Estimate and the low bidder can be attributed to more competitive equipment costs.
- <u>67100100 Mobilization.</u> The low bidder's amount is \$96,000.00 below the Engineer's Estimate for this item. There was a significant variance in amount between bidders with a minimum amount of \$58,000.00 and a maximum amount of \$221,120.10. The average unit price is \$130,478.59 or 85% of the Engineer's Estimate. The low bidder's amount is 44.5% of the average amount for all bids. The variance could be due to differences in the proximity of the contractors' equipment storage facilities to the project site and the fact that they are working on the Stearns Road Corridor.
- <u>X0322671 Stabilized Construction Entrance.</u> The low bidder's amount is \$35,250.00 below the Engineer's Estimate. The average unit price for this item is \$10.36 or a variance of 35.72% from the Engineer's Estimate. The difference in amount between the Engineer's Estimate and the low bidder can be attributed to more competitive equipment costs and lower material costs.
- <u>Z0013300 Concrete Removal, Special.</u> The low bidder's amount is \$29,186.50 lower than the Engineer's Estimate. The average unit price for this item is \$10.57 or a variance of 9.23% from the Engineer's Estimate. The difference in amount between the Engineer's Estimate and the low bidder can be attributed to more competitive equipment costs and material disposal costs.
- <u>25000210 Seeding, Class 2A.</u> The low bidder's amount is \$23,435.00 lower than the Engineer's Estimate. There was a significant variance in amount between bidders with a minimum amount of \$6,665.00 and a maximum amount of \$25,800.00. The average unit price is \$1,403.57 or 40% of the Engineer's Estimate. The low bidder's amount is 55.2% of the average amount for all bids. The variance could be due to a difference in equipment costs and in material costs. The item has a higher quantity than similar activities included in the contract allowing contractors to obtain materials in large volume and at a discounted cost.
- <u>51201600 Furnishing Steel Piles HP 12x53</u> The low bidder's amount is \$23,520.00 higher than the Engineer's estimate or a variance of 175%. The average unit price is \$59.59 or 148.96% of the Engineer's Estimate. The low bidder's amount is 117.5% of the average contributory amount for all bids. The variance from the Engineer's Estimate could be due to the small quantity of piles compared to the mobilization of the driving equipment.

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Outside of these items, either the variance in bids is not unreasonable or the bid prices of the other pay items are insignificant to affect the overall analysis of the bid. In addition, the current state of the economy is significantly impacting bid prices. The economic downturn has created a more competitive market where contractors are preparing estimates with tighter margins in order to secure work. Also, the fact that Herlihy is working on several sections of the Stearns Road Corridor may have allowed them to reduce their overall bid for this contract.

We feel that market conditions are still resulting in unexpectedly low, aggressive and competitive bids due to the scarcity of transportation projects. The end result is total bid prices below the Engineer's Estimate, which will help the City meet its cost-saving goal.

We have worked with Herlihy and Bell Land Development in the past, and find them to be cooperative and timely, with their work done in accordance with plans and specifications.

Accordingly, Alfred Benesch & Company recommends that the City accept the low bid of Herlihy Mid-Continent Co.

If you have any questions or comments, please don't hesitate to call me.

Sincerely,

Hossam M. Abdou, Ph.D., P.E., S.E. Vice President/Project Manager

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